

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES ACT OF 1934

For the quarterly period ended August 31, 2003

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES ACT OF 1934

For the transition period from _____ to _____

Commission file number: 000-49685

Bi-Optic Ventures Inc.

(Name of small business issuer in its charter)

British Columbia, Canada
(Jurisdiction of Incorporation/Organization)

N/A
(IRS Tax ID No.)

1030 West Georgia Street #707, Vancouver, British Columbia, Canada V6E 2Y3
(Address of principal executive offices)

Issuer's Telephone Number: 604-689-2646

Securities to be registered pursuant to Section 12(b) of the Act: None

Securities to be registered pursuant to Section 12(g) of the Act:
Common Shares without par value.
(Title of Class)

Indicate the number of shares outstanding of each of the issuer's classes of common
stock, as of 10/15/2003: 5,164,235 Common Shares w/o par value

Transitional Small Business Disclosure Format (Check one): Yes ☐ No ☒

PART 1
FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

BI-OPTIC VENTURES INC.

FINANCIAL STATEMENTS

AUGUST 31, 2003

(Prepared in Canadian Dollars)

REVIEW ENGAGEMENT REPORT

BALANCE SHEET

STATEMENT OF OPERATIONS AND DEFICIT

STATEMENT OF CASH FLOWS

NOTES TO FINANCIAL STATEMENTS

J. A. MINNI & ASSOCIATES INC.

CERTIFIED GENERAL ACCOUNTANT

SUITE 1104-750 WEST PENDER STREET
VANCOUVER, BRITISH COLUMBIA
CANADA V6C 2T8

Jerry A. Minni, C.G.A.*

Geoffrey S.V. Pang, C.G.A., FCCA **

* *Incorporated Professional*

** *Associate*

TELEPHONE: 604-683-0343

FAX: 604-683-4499

REVIEW ENGAGEMENT REPORT

The Shareholders,

Bi-Optic Ventures Inc.

I have reviewed the balance sheet of BI-OPTIC VENTURES INC. as at August 31, 2003 and the statements of operations, deficit and cash flows for the period of six months ended August 31, 2002. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Company.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

"J.A. Minni & Associates Inc."

CERTIFIED GENERAL ACCOUNTANT

Vancouver, BC

October 6, 2002

BI-OPTIC VENTURES INC.
BALANCE SHEET AS AT AUGUST 31, 2003
(UNAUDITED)

ASSETS

	<u>Aug 31, 2003</u>	<u>Feb. 28, 2003</u>
CURRENT		
Cash	\$ -	\$ 107
GST recoverable	5,848	3,891
Due by related parties (Note 4)	<u>650</u>	<u>650</u>
	6,498	4,648
CAPITAL ASSETS, at cost net of accumulated amortization of \$6,397 (2003 - \$6,028)	<u>3,103</u>	<u>3,472</u>
	<u>\$ 9,601</u>	<u>\$ 8,120</u>

LIABILITIES

CURRENT		
Excess of cheques written over funds on deposits	\$ 1,017	\$ -
Accounts payable and accrued liabilities	<u>59,012</u>	<u>74,905</u>
	60,029	74,905
LOANS FROM AND AMOUNTS DUE TO RELATED PARTIES (Note 4)	<u>84,200</u>	<u>86,375</u>
	<u>144,229</u>	<u>161,280</u>

SHAREHOLDERS' DEFICIENCY

SHARE CAPITAL (Note 3)	2,719,192	2,639,192
DEFICIT	<u>(2,853,820)</u>	<u>(2,792,352)</u>
	<u>(134,628)</u>	<u>(153,160)</u>
	<u>\$ 9,601</u>	<u>\$ 8,120</u>

APPROVED BY THE DIRECTORS:

"Harry Chew"

"Sonny Chew"

The accompanying notes are an integral part of the financial statements.

BI-OPTIC VENTURES INC.
STATEMENT OF OPERATIONS AND DEFICIT
FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2003
(UNAUDITED)

	3 months ended Aug.31, 2003	2002	6 months ended Aug.31, 2003	2002
REVENUE	\$ -	\$ -	\$ -	\$ -
EXPENSES				
Amortization	178	226	368	466
Bank charges and interest	80	209	149	285
Consulting	1,500	9,236	5,270	13,270
Management fees	7,500	7,500	15,000	15,000
Office and miscellaneous	186	1,101	615	1,645
Professional fees	9,252	4,730	15,852	8,530
Rent	7,500	7,500	15,000	15,000
Shareholder information and public relation	1,969	735	1,969	1,038
Transfer agent and regulatory fees	4,046	3,455	4,520	4,367
Travel and promotion	1,646	4,029	2,725	5,098
	<u>33,857</u>	<u>38,721</u>	<u>61,468</u>	<u>64,699</u>
NET LOSS FOR THE PERIOD	(33,857)	(38,721)	(61,468)	(64,699)
DEFICIT, BEGINNING OF PERIOD	<u>(2,819,963)</u>	<u>(2,685,968)</u>	<u>(2,792,352)</u>	<u>(2,659,990)</u>
DEFICIT, END OF PERIOD	<u>\$ (2,853,820)</u>	<u>\$ (2,724,689)</u>	<u>\$ (2,853,820)</u>	<u>\$ (2,724,689)</u>
LOSS PER SHARE	<u>\$ (0.007)</u>	<u>\$ (0.010)</u>	<u>\$ (0.013)</u>	<u>\$ (0.016)</u>

The accompanying notes are an integral part of the financial statements.

BI-OPTIC VENTURES INC.

STATEMENT OF CASH FLOWS

FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2003

(UNAUDITED)

	3 months ended Aug.31, 2003	2002	6 months ended Aug.31, 2003	2002
OPERATING ACTIVITIES				
Net loss for the period	\$ (33,857)	\$ (38,721)	\$ (61,468)	\$ (64,699)
Items not involving cash:				
Amortization	178	226	368	466
Cash provided (used) by net changes in non-cash working capital items:				
Decrease (increase) in GST recoverable	(2,190)	(398)	(1,957)	1,541
Decrease (increase) in prepaid expenses	-	-	-	5,000
Increase (decrease) in amounts payable and accrued liabilities	<u>1,677</u> <u>(34,192)</u>	<u>4,933</u> <u>(33,960)</u>	<u>(15,892)</u> <u>(78,949)</u>	<u>4,682</u> <u>(53,010)</u>
FINANCING ACTIVITIES				
Due-to/loans from related parties	(46,513)	8,104	(2,175)	22,904
Excess of cheques written over funds on deposit	705	856	1,017	910
Proceeds from shares issued	<u>80,000</u> <u>34,192</u>	<u>25,000</u> <u>33,960</u>	<u>80,000</u> <u>78,842</u>	<u>25,000</u> <u>48,814</u>
DECREASE IN CASH	-	-	(107)	(4,196)
CASH, BEGINNING OF PERIOD	<u>-</u>	<u>-</u>	<u>107</u>	<u>4,196</u>
CASH, END OF PERIOD	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

BI-OPTIC VENTURES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2003
(UNAUDITED)

1. NATURE AND CONTINUANCE OF BUSINESS

The Company has been designated as inactive by the TSX Venture Exchange. The Company was previously in the mining business, operating as a junior mining company. On April 6, 2001, the Company changed its name from Royal Rock Ventures Inc. to Bi-Optic Ventures Inc. The Company is evaluating other business interests and projects.

The financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business. The ability of the Company to continue as a going concern is dependent upon, among other things, the continued financial support of the related parties and its ability to obtain the necessary financing for working capital, and ultimately upon its ability to generate future profitable operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a) Amortization
Capital assets are recorded at cost and are amortized over their estimated useful lives at 20% - 30% declining basis. Further, only one-half the amortization is taken on assets acquired during the year.
- b) Financial Instruments
The company's financial instruments consist primarily of cash, GST recoverable, excess of cheques written over funds on deposit, accounts receivable, amounts due by related parties and accounts payable, and have their fair market values approximating their carrying values.
- c) Loss Per Share
Loss per share has been calculated based on the weighted average number of shares outstanding during the period. Diluted earnings per share considers the dilutive impact of the conversion of outstanding stock options and warrants as if the events had occurred at the beginning of the period. Due to the losses, potentially dilutive securities are excluded from the calculation of diluted loss per share, as they were antidilutive. Therefore, there is no difference in the calculation of basic and dilutive loss per share.
- d) Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

BI-OPTIC VENTURES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2003
(UNAUDITED)

3. SHARE CAPITAL

- a) Authorized
100,000,000 Common shares without par value.
- b) Issued and fully paid
- | | <u>Number of
shares</u> | <u>Amount</u> |
|---------------------------------------|-----------------------------|--------------------|
| Balance, February 28, 2002 | 3,964,235 | \$2,599,192 |
| Issued pursuant to warrants exercised | <u>400,000</u> | <u>40,000</u> |
| Balance, February 28, 2003 | 4,364,235 | 2,639,192 |
| Issued pursuant to warrants exercised | <u>800,000</u> | <u>80,000</u> |
| Balance, August 31, 2003 | <u>5,164,235</u> | <u>\$2,719,192</u> |
- c) Shares held in Escrow
As at August 31, 2003, there were no shares held in escrow (Feb. 28, 2003-Nil).
- d) Share Purchase Warrants
As at August 31, 2003 there were no outstanding share purchase warrants (Feb.28, 2003 - 800,000).
- e) Stock Options
There were no stock options outstanding as at August 31, 2003, (Feb. 28, 2003-Nil).

4. RELATED PARTY TRANSACTIONS

- a) During the period the Company paid or accrued management fees of \$15,000 (2002 - \$15,000), rent, accounting and professional services of \$21,000 (2002 - \$18,000) to companies controlled by directors.
- b) The amounts due to and loans from related parties are non-interest bearing, unsecured, with no fixed terms of repayment. The amount due by related parties of \$650 is non interest bearing, unsecured, and repayable on demand.

BI-OPTIC VENTURES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2003
(UNAUDITED)

2003 **DIFFERENCES BETWEEN GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CANADA AND THE UNITED STATES**

The Company follows Canadian generally accepted accounting principles which are different in some respects from those applicable in the United States as follows:

(a) Loss Per Share

Under US GAAP basic loss per share is calculated by dividing loss over the weighted average number of common shares outstanding during the period. The weighted average number of common shares outstanding excludes any shares that remain in escrow, but may be earned out based on the Company meeting certain performance criteria. Under Canadian GAAP the calculation of basic loss per share is similar except that escrowed shares are included in determining the weighted average number of shares outstanding. Diluted loss per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised. There were no outstanding stock options nor shares held under escrow at August 31, 2003, February 28, 2003 and August 31, 2002.

	Aug. 31, <u>2003</u>	Feb. 28, <u>2003</u>	Aug. 31, <u>2002</u>
Weighted average number of shares outstanding:			
Per Canadian GAAP	4,577,278	4,165,742	4,002,278
Per US GAAP	4,577,278	4,165,742	4,002,278
Net loss per US GAAP	<u>\$ (61,468)</u>	<u>\$ (132,362)</u>	<u>\$ (64,699)</u>
Net loss per Canadian GAAP	<u>\$ (61,468)</u>	<u>\$ (132,362)</u>	<u>\$ (64,699)</u>
Loss per share per US GAAP (basic and diluted)	<u>\$ (0.013)</u>	<u>\$ (0.03)</u>	<u>\$ (0.016)</u>
Loss per share per Canadian GAAP (basic/diluted)	<u>\$ (0.013)</u>	<u>\$ (0.03)</u>	<u>\$ (0.016)</u>

BI-OPTIC VENTURES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2003
(UNAUDITED)

5. DIFFERENCES BETWEEN GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CANADA AND THE UNITED STATES - continued

b) Impairment Losses

Statement of Financial Accounting Standards No. 121 (the statement) requires that long-lived assets and certain identifiable intangibles to be held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In performing the review for recoverability, the Company should estimate future cash flows expected to result from the asset and its eventual disposition. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the asset, an impairment loss is recognized. Impairment losses resulting from the application of the statement should be reported in the period in which the recognition criteria are met. The Company's long lived assets are capital assets.

c) Stock Options

The Company follows APB 25 for options granted to employees and directors. For employees and directors, compensation expense is recognized under the intrinsic value method. Under this method, compensation cost is the excess, if any, of the quoted market price at grant date over the exercise price. Such expense is reflected over the service period; if for prior services, expensed at date of grant; if for future services, expensed over vesting period. There were no stock options granted or outstanding at August 31, 2003 and 2002, and at February 28, 2003.

The impact of the foregoing on the financial statements is as follows:

<u>Balance Sheets</u>	<u>Aug. 31,</u> <u>2003</u>	<u>Feb 28,</u> <u>2003</u>
Total assets per Canadian and US GAAP	<u>\$ 9,601</u>	<u>\$ 8,120</u>
Total liabilities per Canadian/US GAAP	<u>\$ 144,229</u>	<u>\$ 161,280</u>
Deficit, end of year per Canadian GAAP	(\$2,853,820)	(\$2,792,352)
Adjustment for valuation of shares for debt settlement	<u>(39,754)</u>	<u>(39,754)</u>
Deficit, end of period per US GAAP	<u>\$ (2,893,574)</u>	<u>\$ (2,832,106)</u>
Share capital per Canadian GAAP	\$2,719,192	\$2,639,192
Adjustment for fair value of shares for debt settlement	<u>39,754</u>	<u>39,754</u>
Share capital per US GAAP	<u>\$2,758,946</u>	<u>\$2,678,946</u>
Total shareholders' equity per Canadian and US GAAP	<u>(\$134,628)</u>	<u>(\$153,160)</u>

BI-OPTIC VENTURES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2003
(UNAUDITED)

5. **DIFFERENCES BETWEEN GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CANADA AND THE UNITED STATES - continued**

<u>Statements of Deficit</u>	<u>Aug. 31, 2003</u>	<u>Aug. 31, 2002</u>
Net loss per Canadian and US GAAP	<u>\$ (61,468)</u>	<u>\$ (64,699)</u>
 <u>Statements of Cash Flows</u>	 <u>Aug 31, 2003</u>	 <u>Aug 31, 2002</u>
Cash flows from operating activities per Canadian and US GAAP	<u>\$ (78,949)</u>	<u>\$ (53,010)</u>
Cash flows from financing activities per Canadian and US GAAP	<u>78,842</u>	<u>48,814</u>
Decrease in cash per Canadian and US GAAP	<u>\$ (107)</u>	<u>\$ (4,196)</u>

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following information contains certain forward-looking statements that anticipate future trends or events. These statements are based on certain assumptions that may prove to be erroneous and are subject to certain risks including but not limited to the risks of increased competition in the Company's industry and other risks detailed in the Company's Securities and Exchange Commission filings. Accordingly, actual results may differ, possibly materially, from the predictions contained herein.

Results of Operations

The trading of the Company's common shares on the TSX Venture Exchange is regulated by the policies of the exchange that include various numerical maintenance thresholds regarding assets, funds expended on operations, and minimum working capital. The Company has been designated as inactive by the TSX Venture Exchange and failed to submit a reactivation plan to meet Tier 2 maintenance requirements by 9/30/2002. Accordingly, the Company's common shares were suspended on 10/2/2002 from trading effective 10/3/2002 for the failure to maintain Tier Maintenance Requirements in accordance with Policy 2.5 and being designated an Inactive Issuer for a period greater than 18-months. The Company is evaluating and performing due diligence on various projects for a possible acquisition or on a joint-venture basis.

The Company has not had any sources of revenue to date and has financed its activities substantially through equity financing. The Company has incurred net losses each year since inception and, as of 8/31/2003 had an accumulated deficit of (\$2,853,820). The net loss for the Six Months ended 8/31/2003 was (\$61,468) compared to (\$64,699) for the same period last year. Decreased losses relate primarily to the lower consulting fees/lower travel promotion costs which were not offset by the higher professional fees.

Operating Expenses for the Six Months Ended 8/31/2003 were \$61,468 compared to \$64,699 in the same period last year. Professional fees were \$15,852 versus \$8,530; management fees were \$15,000 versus \$15,000; rent was \$15,000 versus \$15,000; consulting fees were \$5,270 versus \$13,270; and travel/promotion expenses were \$2,725 versus \$5,098. Net Loss for the six months was (\$61,468) versus (\$64,699). Loss Per Share was (\$0.01) versus (\$0.02).

The Company's registration with the US Securities and Exchange Commission Was completed in December 2002. The Company's common shares began trading on the NASD Electronic Bulletin Board in June 2003. The Company has pursued this avenue to improve corporate communication with its shareholders, especially those in the United States.

**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS (cont.)**

Liquidity and Capital Resources

Working Capital deficit was (\$53,531) at 8/31/2003. A significant portion of the accounts payable and accrued liabilities are to officers/directors where demand for payment is not imminent.

Cash used in Six Months Ended 8/31/2003 Operating Activities totaled (\$78,949), including the (\$61,648) Net Loss; the only significant adjusting item was a \$16,933 net change in non-cash working capital items. Cash used in Investing Activities was \$nil. Cash provided by Financing Activities was \$33,960, including the \$78,842 including the \$80,00 from the 800,000 common shares issued upon the exercise of share purchase warrants.

**PART II
OTHER INFORMATION**

ITEM 1. LEGAL PROCEEDINGS

No Disclosure Necessary.

ITEM 2. CHANGES IN SECURITIES

No Disclosure Necessary.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

No Disclosure Necessary.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On 8/18/2003, the Company held its Annual General Meeting of the Members of the Company. At the meeting: members of the Company re-elected Messrs. Harry Chew, Sonny Chew and David J.L. Williams to the Board of Directors of the Company; the Stock Option Plan was amended to conform to new Canadian regulatory standards; and J.A. Minni & Associates Inc. were re-appointed as auditors.

ITEM 5. OTHER INFORMATION

No Disclosure Necessary

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

No Disclosure Necessary

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Bi-Optic Ventures Inc. -- SEC File No. 000-49685
Registrant

Date: October 14, 2003 /s/ Harry Chew
Harry Chew, President/Director

CERTIFICATIONS

I, Harry Chew, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Bi-Optic Ventures Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of my most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: October 14, 2003 /s/ Harry Chew

Harry Chew, President/CEO and Director

**Certification Accompanying Periodic Report
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 1350)**

The undersigned, Harry Chew, President/CEO and Director of Bi-Optic Ventures Inc. (the "Company"), hereby certifies that the Quarterly Report of the Company on Form 10-QSB for the period ended August 31, 2003 (the "Report")

(1) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and the results of operations of the Company.

Date: Oct. 14, 2003 /s/ Harry Chew
Harry Chew, President/CEO and Director